



## **CITY OF NEWPORT BEACH**

### **ECONOMIC DEVELOPMENT COMMITTEE**

## **AGENDA**

**MEETING DATE:**

**Wednesday, October 18, 2006**

**TIME:**

**8:00-9:00 A.M. *Please arrive 5 min. prior***

**PLACE:**

**City of Newport Beach Council**

**Chambers**

Roll Call and Introductions

### **CONSENT CALENDAR**

(All matters listed under CONSENT CALENDAR are considered to be routine and will all be approved by one motion in the form listed below. The EDC members have received detailed staff reports on each of the items recommending an action. There will be no separate discussion of these items prior to the time the Committee votes on the motion unless members of the Committee, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for separate action.)

1. Approval of Minutes of September 20, 2006 (*Attachment*)
2. Progress Report (*Attachment*)

### **ITEMS REMOVED FROM THE CONSENT CALENDAR**

### **UPDATES AND ANNOUNCEMENTS**

### **DISCUSSION ITEMS**

1. Strategic Plan for Fiscal & Economic Sustainability – Continued Discussion  
(*Attached*)(*Attached*)
2. EQAC Representative's Report

### **ITEMS FOR A FUTURE AGENDA**

### **PUBLIC COMMENTS**

### **ADJOURNMENT**

**NEXT EXECUTIVE COMMITTEE MEETING: Wednesday, November 1, 2006  
8:00 A.M. – NEWPORT BEACH CHAMBER OF COMMERCE**

**NEXT REGULAR MEETING: Wednesday, November 22, 2006  
8:00-9:00 A.M. – CITY COUNCIL CHAMBERS**

## BID ADMINISTRATION

BID Administration and Coordination	BIDs/Consultant Trimble	BID billings went out. Matching funds to BIDs processed.	Revisions to BID By-laws. Ongoing support for BID activities.	Ongoing.	
Balboa Village BID	Trimble	Construction complete on Phase III. Pump station ongoing. October meeting held 10/10.	Annual BID meeting 11/2006.	Ongoing.	
Corona del Mar BID	Berger	August meeting held 9/28.	Next BID meeting 10/26	Ongoing.	Discussion of add'l. median landscape improvements; holiday decorations.
Marine Avenue BID	Berger	September meeting held 9/21.	Next BID meeting 10/19.	Ongoing.	Planning for holiday decorations; additional advertising.
Restaurant Association BID	Trimble	Restaurant Week marketing ramping up.	Preparation continues for Restaurant Week 2007. Next BID meeting 11/15.	Ongoing.	Restaurant Week in January 2007.

## COMMUNITY DEVELOPMENT ADMINISTRATION

CDBG Administration	Trimble/Consultant	Draft CAPER completed. Final FY06 drawdown submitted.	Revisions to FY2007 Action Plan being processed.	Ongoing.	Monitoring of sub-recipients ongoing.
Housing Administration	Trimble/B. Nichols Consultant	Monitoring existing affordable housing units resulted in return of a number of units to affordable status.	Searching for new affordable housing sites.	Ongoing.	Staff continues to coordinate with County agencies and respond to public inquiries regarding affordable housing.

## Balboa Peninsula

Balboa Village Streetscape – Phase III	Stein/Trimble	Balboa Inn expansion started 09/2004. OCSD pump station construction nearly complete. Phase III & methane capture projects complete.	Removal of utility poles as property owners complete hook ups on private property.	August 2006	
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## CORONA del MAR

Corona del Mar Vision Plan	Berger	Phase 2 median improvement project discussions with PW Dept.	Laser crosswalk to be implemented this month.		Next element now to be Phase 2 median improvements. Pedestrian street lights now after that.
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## MARINE AVENUE

Marine Avenue Public Improvements Plan	Berger	None	None at present time.	All planned phases complete.	Park Avenue Bridge seismic retrofit / replacement project on hold. Sidewalk replacement to be discussed.
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## MARINER'S MILE

Mariner's Mile BOA	Murrel/Berger	Meeting held 10/11.	Next meeting to be held 11/15.	Ongoing.	MMBOA interested in continuation of MVPIP improvements and planning; extension of palm trees toward both bridges; relinquishment of PCH through MM; and waterfront boardwalk.
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## EDC ACTIVITIES

Attraction and Retention	EDC staff	Newport Lexus Grand Opening 10/12. Sterling BMW plans being shepherded. Land Rover project underway. Lamborghini dealership in discussion.		Ongoing.	Continuing discussions w/auto dealers
Strategic Planning	Subcommittee / Wood/Berger	ED Strategic Plan in edits.	ED Strategic Plan draft under discussion by full Committee.	Ongoing, as part of GPU process.	
Image Enhancement & Marketing	Subcommittee / Berger	Wayfinding & Directional Signage Program approved by Council on 9/12.	Entrance signs under final location review, pending final package prep for bidding.		Installation approved as part of FY '06-'07 and '07-'08 CIP budgets.
Hotels	Subcommittee Wood/Trimble				

## MEMORANDUM

To: The Economic Development Committee

From: The Draft Sub-committee of the EDC, Mike Henn, Chairman

Date: October 13, 2006

Re: Draft Strategic Plan for Fiscal and Economic Sustainability

Attached is the draft Strategic Plan for Fiscal and Economic Sustainability. This draft reflects the addition of the visioning preamble, formatting and photos to make it more user friendly, and revisions to the clean draft presented to the Economic Development Committee at the meeting of September 20, 2006. Those revisions are shown in red line format, and include revisions discussed at the last full EDC meeting, revisions received by me since that meeting, and revisions made at the EDC Executive Committee meeting of October 3, 2006. The only potential change that has not been addressed relates to whether or not to include Goal 7, traffic. I did not feel that this issue was fully vetted at the last meeting, and therefore left it in this draft.

At the EDC meeting of October 18, 2006, we will address the new preamble, each red line change and the traffic Goal, and decide as a group whether those changes should be made. In the event we are able to complete this process at that meeting, the final draft will be forwarded to the City Council for review at the next appropriate study session.

As far as I am aware, we are on schedule according to the process map sent to the EDC at the September 20<sup>th</sup> meeting, and repeated below:

- |  |   |
|--|---|
| 1. Initial discussion.   | 9/20/06   |
| 2. Submission of suggested changes.  | 9/20/06 to 10/2/06  |
| 3. Finalization of draft Plan by EDC Executive Committee                       | 10/18/06 regular EDC meeting *                                |
| 4. Submission to the City Council for consideration at a Council study session | TBD   |
| 5. EDC to finalize an initial draft in light of City Council guidance          | TBD   |
| 6. Staff to prepare Action Plans and vet the target dates.                     | TBD   |
| EDC to finalize and submit final draft to City Council for review and approval | TBD   |
| 7. Final approval by City Council  | As soon as possible after adoption of the General Plan Update |

\* Or as soon thereafter as practicable

Please be prepared to address the identified changes in the attached red line draft at the meeting of October 18<sup>th</sup>. If you have any questions, please feel free to call me on my cell at 818.929.2006.

Respectfully Submitted,

Mike Henn



CITY OF NEWPORT BEACH

(DRAFT)

STRATEGIC PLAN FOR FISCAL  
AND ECONOMIC SUSTAINABILITY

October, 2006

## **TABLE OF CONTENTS**

## I. INTRODUCTION

The Strategic Plan for Fiscal and Economic Sustainability is designed to serve as a work program for the City Council, City staff, the City Economic Development Committee (EDC) and other civic leaders to promote and sustain fiscal and economic vitality in Newport Beach. It is intended, in part, as a companion document for the General Plan, to assist the City in implementing portions of the General Plan that affect economic development in the City. Beyond City land use and development policy, however, the Strategic Plan for Fiscal and Economic Sustainability includes activities to enhance the business climate in the community.

The Strategic Plan for Fiscal and Economic Sustainability focuses on a shorter time frame than does the General Plan, since economic conditions and priorities can change more rapidly than do planning goals related to community character and land use patterns. The work program included here contemplates at most a five-year time horizon, and it is assumed that annual reviews of progress and re-assessments of priorities will be undertaken as a prelude to the City's annual budget process.

## SUMMARY OF ECONOMIC AND FISCAL ISSUES

### **The Visioning Process**

The City initiated a Visioning Process in January of 2002, ahead of its effort to update the General Plan, which culminated in publication of the *Community Directions for the Future* report in January 2003. The Visioning Process included a series of events, meetings and public information gathering programs and resulted in a vision statement for Newport Beach and substantial public input on a wide range of issues for consideration in the General Plan Update. The summary information presented here is limited to statements and issues related to economic development or the fiscal health of the City.

A vision for the future of Newport Beach was developed by the citizen General Plan Advisory Committee (GPAC), which describes the City's desired 'end state' and what the community hopes to have achieved by 2025. Under the heading, "Growth Strategy, Land Use and Development," the vision states in part, "[w]e have a



*conservative growth strategy that emphasizes residents' quality of life – a strategy that balances the needs of the various constituencies and that cherishes and nurtures our estuaries, harbor, beaches, open spaces and natural resources. Development and revitalization decisions are well conceived and beneficial to both the economy and our character....”*

The process also ascertained the public's input on a range of more specific issues. There was broad community consensus on some economic issues, and more diverse opinion on others.

Those issues upon which consensus were gained include the following:

- The vast majority of residents view Newport Beach as primarily a residential beach town. While most recognize the City's attractiveness to tourists, they were less interested in defining the City's identity as a tourist destination.
- In a survey of business owners, the City's location within the County, its physical beauty, and the purchasing power of the community are listed as exceptionally attractive attributes.
- General consensus exists that the City's harbors and beaches must be protected and enhanced as the most cherished resources. GPAC members posited that as harbors and beaches are improved as recreational areas, visual and economic benefits would follow.



- People are in general agreement that certain areas of the City need revitalization, including Balboa Village, Mariner's Mile, Old Newport Blvd., Cannery Village, Central Balboa Peninsula, West Newport, and the mixed residential/industrial area above Hoag Hospital (West Newport Mesa).

GPAC members agree that the City should be proactive in creating a revitalization vision to help guide future private development.

- A couple of the visioning events raised the issue of mixed use, integrating housing and commercial or office space. Areas deemed appropriate for mixed use include Balboa Village, Mariner's Mile, Cannery Village, Lido Marina Village, McFadden Square, the Airport Business Area and Newport Center.
- Visioning process participants agreed that the City should consider re-zoning excess and underutilized commercial lands.

However, a divergence of opinion existed on the following economic development issues.

- People expressed mixed opinions about the potential impact of economic development on the City; with business owners being slightly more in favor of economic development than residents.

The concern here is whether economic development will detract from residents' quality of life. However, when asked if the City should encourage growth in the local economy to help pay for municipal services,



67 percent (224) of those who responded to the newsletter questionnaire said yes, although there was disagreement about how that should be done.

- Participants were divided on whether the City should continue to accommodate job growth. Many felt it is a question of the type of jobs and associated impacts. Those who did express support for growth state that the City should “accommodate” but not “promote” additional employment opportunities.
- Participants in the visioning program events were overall in favor of tourism, but divided on providing more tourist

accommodations, including lodging. However, if new hotels are to be built, most respondents agreed they should be concentrated in the Airport Business Area and Newport Center.

- While people want the City to set firm constraints on development, including expansion of employment centers and hotels, additional development may be acceptable in certain areas under certain conditions.

1. *Fashion Island:* A majority of residents and businesses support keeping retail space at current levels, but many are still willing to back expansion of existing stores and moderate increases for new businesses.

2. *Newport Center:* A majority of residents and businesses support little or no change to office development in Newport



Center. But some are willing to allow growth for existing companies.

3. *Airport Business Area:* Participants are split on support for development, but some agreement exists over the appropriate types of development. People are comfortable with low-rise office buildings, but would not like to see high-rise offices or more industrial development. The groups were split about adding more retail space, including “big box” stores, in this area.

## **Synopsis of Economic and Fiscal Studies**

To support the Visioning Process and to provide background material for the GPAC to consider in its development of policies to

be included in the General Plan update, the City contracted with the firm of Applied Development Economics, Inc (ADE) for studies related to current economics and future fiscal impacts. ADE prepared a commercial market study, published in December 2002, and a fiscal impact analysis, published in revised form in January 2004. In this process, ADE also interviewed a number of business people in the community. The following is a synopsis of key findings gained from this work.

#### Key Findings: Retail Commercial

- As an overall conclusion, it can be fairly stated that the City does very well in serving the retail shopping needs of both residents and visitors. Although the balance between demand and sales is very close, the city actually captures large amounts of spending in some categories from the surrounding region, while losing local spending in other categories.
- The City's retail base is particularly strong in boats, autos, restaurants, furniture, apparel and specialty retail stores.
- Conversely, relatively large sales leakages occur in other general merchandise, family clothing, discount department stores and home improvement store categories. Most of these spending categories represent "big box" or "mass merchandiser" retail store categories that require larger tracts of land and seek more central locations than coastal areas. Such uses could possibly be located in the Airport Area, along with additional service commercial/flex space and car dealerships.
- The commercial centers in the coastal area largely serve the visitor market and do not capture a large proportion of residents' spending, with the exception of Corona del Mar, which has the broadest base of local-serving retailers.
- Except for the Balboa Village area, most of the coastal commercial centers perform adequately in terms of sales per square foot among existing businesses. In Balboa Village, the average is relatively low in a number of the visitor-serving store type categories, reflecting the less accessible location and attractiveness of this older commercial area. In

response to this finding, the updated General Plan reduces the amount of commercially-zoning property in this area.

- In terms of opportunities for new retail establishments in the coastal sub-areas, the focus should be on retail categories that have sales leakage throughout all of Newport Beach and would also be at the appropriate scale of commercial development. Certain specialty retail categories such as music and bookstores would fit these criteria.
- In Mariners Mile, there may be some pressure to transition sites devoted to boat sales to more intensive uses. The updated General Plan provides for some mixed use development in this area.
- Lido Marina Village may see pressure for redevelopment as current retail uses underperform.



#### Key Findings: Hotels/Motels

- While Newport Beach has a variety of meeting facilities, major convention centers are mainly concentrated in Anaheim. More recently, Huntington Beach's new waterfront development poses competition for Newport Beach at the small to mid-size business meeting scale. The lack of larger facilities in Newport Beach limits the City's business trade potential.

#### Key Findings: Marine Industry

- Economic pressure continues to replace shipyards and non-water dependent manufacturing/repair services with other commercial and residential uses.
- Marine proponents would like to see greater use of limited public shore access sites to maintain a "working" harbor. Along these lines, the Harbor and Bay Element of the updated General Plan includes goals preserve the diverse uses of the Harbor and waterfront that provide needed support for boaters and to retain water-dependent and water-related uses on Harbor fronting properties.

### Key Findings: Office/Industrial Uses

- Potential exists for transition of older properties in the Airport Area to more intensive use, as well as the addition of major retail uses in the Airport Area on sites currently occupied by industrial or office uses. The updated General Plan includes a new “AO” land use designation for the Campus Tract, and also allows conversion of some office and industrial development to residential use.
- Economic pressure threatens the viability of light industrial uses in the West Newport area.
- There may be the possibility for expansion of medical uses in the hospital area, particularly medical R&D and offices. The updated General Plan provides for more medical office development and redevelopment.
- The City would benefit from an economic transition in existing office and industrial spaces toward businesses that generate greater sales tax through off-site product sales. The sales tax is such an important component of the City’s fiscal picture, it would be important to consider ways to encourage firms that generate taxable non-retail sales and taxable business-to-business transactions.

### Key Findings: Fiscal Analysis

- The fiscal analysis estimates the current cost/revenue balance generated by existing broad land use categories. In general, existing residential, office and public land uses represent net cost centers for City government, while retail, lodging and marine industry land uses generate excess public revenues and help the City maintain an overall fiscal balance. It should be noted that much of the adverse fiscal impact of existing residential units stems from the fact that their assessed values are depressed well below market value due to limits imposed by Proposition 13. New residential units, or even most existing units that are resold in the current market, do pay sufficient property taxes to cover City service costs. This was demonstrated in a focused analysis of Newport Coast mentioned below. The report also points out that the residential population supplies much of the purchasing power that generates sales tax from

retail businesses, and the office-based businesses and industrial uses create much of the household income that also feeds this economic activity. Therefore, the bottom line fiscal cost/revenue balance should not be viewed as the only economic dimension for evaluating the City land use mix.

- The analysis of the Newport Coast development illustrates the fact that many residential neighborhoods with sufficiently high property values can be positive fiscal contributors to the City. Although only Newport Coast received a special area analysis, similar results could be expected in other neighborhoods with high property values.
- Visitor-serving land uses overall generate a positive fiscal benefit for the City, primarily due to increased sales tax and TOT revenues from visitors. This analysis factors in the added cost to the City of maintaining services to the beach areas, as well as demand for other services generated by tourists.
- [Add results of fiscal impact analysis of approved General Plan.]

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## **II. THE VISION FOR FISCAL & ECONOMIC SUSTAINABILITY**

*Newport Beach shall maintain and enhance its local economy, a high quality of life, economic opportunities for its citizens and the sustained fiscal health of the City, while respecting and supporting the residential and waterfront character of the community and its natural resources and amenities.*

### **THE ROLE OF THE CITY**

An important purpose of this plan is to help focus limited City resources on activities that are most cost-effective and address squarely the City's priorities for economic development. The private sector is the primary engine for economic progress in Newport Beach. The City is fortunate to enjoy sustained periods of relative prosperity during which little government involvement is warranted beyond providing clear land use policies and an efficient, predictable entitlement process. It is also important for the City to sustain economic and fiscal health throughout the ups and downs of the business cycle.

Typically, cities can play a role in several areas to support economic development, as follows:

#### **1. Land Use and Development Policy**

The City's main effort recently has been to update the General Plan, and the implementation of new land use and development policies in various areas of town will have a significant impact in supporting economic development.

#### **2. Infrastructure**

Regarding infrastructure, the City has made strategic investments in public improvements, such as the streetscape work in the Balboa Village, Corona del Mar, Marine Avenue and Mariner's Mile commercial districts, but in general it has only limited resources to invest in new infrastructure. The City must instead focus on implementing policies to ensure that new development pays for new infrastructure and that the fiscal balance of the developing land use mix can sustain the City's ability to operate and maintain the existing



infrastructure. To the extent the City can address infrastructure improvements, improvements in circulation and parking facilities will benefit the economic growth of the community most.

### 3. Incentives

The City can offer incentives to development in terms of ~~more intense development entitlements or~~ other design standard flexibility, shared parking opportunities, in-lieu parking fees, tax-exempt financing, and sales tax sharing. These kinds of incentives can improve the market feasibility of desired kinds of improvement in the economic environment without necessarily requiring expenditures of existing public funds.

## GOALS, OBJECTIVES AND ACTION PLANS

The Strategic Plan for Fiscal and Economic Sustainability for the City of Newport Beach includes eight major goals for economic development in the City:

- Continue the revitalization of the City's older commercial areas and villages;
- Support business efforts to optimize retail sales capture;
- Facilitate the development, attraction and retention of a variety of businesses that strengthen the vitality of the local economy;
- Facilitate an economically viable and vital Newport Harbor;
- Enhance the visitor boating services of Newport Harbor;
- Support visitor-serving businesses and facilities;
- Seek methods to minimize the economic impact of traffic congestion;



- Administer the development review and permitting processes efficiently.

The following discussion briefly outlines these goals, along with the more detailed objectives and implementation actions associated with each goal.

## **Goal 1: The City shall facilitate the revitalization of older commercial areas**

Objective 1.1 – Improve the business mix of older commercial districts through improvement in the quality, breadth and sales tax generation of such areas, taken as a whole by [December, 2011]. Identified areas include Balboa Village and other Balboa Peninsula commercial districts, as well as the Marine Avenue, Old Newport Boulevard and West Newport.



Action 1.1.a –

Action 1.1.b –

Objective 1.2 – Mixed-Use Development: The City shall adopt flexible zoning regulations to implement General Plan mixed-use development policies in the commercial districts by [December 2007].

Action 1.2.a –

Action 1.2.b –

Objective 1.3 – Parking Facilities: In cooperation with merchants and commercial property owners, the City shall establish a plan to facilitate the improvement of parking in specified areas by [December 2007]. The City may use various mechanisms to facilitate this, e.g., public/private partnerships, tax exempt financing, parking management districts and/or in-lieu fees.

Objective 1.4 – Improvement Plans: The City shall continue to support, and participate in as appropriate, efforts of Business Improvement Districts (BIDs) and other business and/or property owner groups to complete improvements and other voluntary business support activities within their areas.

Objective 1.5 – Campus Tract: With its proximity to the John Wayne Airport and the potential availability of larger sites, the City shall focus its initial planning efforts through [December 2008] on opportunities for the Campus Tract area, including expansion of auto sales and service, as well as other commercial services in support of new residential or mixed use development.

**Goal 2: The City shall support business efforts to optimize retail sales capture in the community.**

Objective 2.1 – Commercial Zoning: The City shall adopt flexible zoning in support of General Plan policies for commercial development by [December 2007].



Objective 2.2 – Newport Center: The City shall facilitate efforts by Fashion Island and Newport Center to evolve their design and retail mix to capture maximum retail sales.

Objective 2.3 – Airport Area: The City shall encourage and facilitate the development of attractive retail and commercial uses that maximize retail sales capture in the Airport Area, commensurate with new General

Plan land use designations and policies related to mixed use and residential development.

Objective 2.4 – Auto Sales: The City shall encourage the development of auto sales facilities as a means of maximizing sales tax capture.

Objective 2.5 – Leading Indicators: The City shall improve its ability to track retail trends within Newport Beach by contracting for a more comprehensive sale tax audit service

and by providing regular reports to the City Council and the EDC on sales tax performance by sub-area and business type, by [July, 2007].

**Goal 3: The City shall facilitate the development, attraction and retention of a variety of businesses that strengthen the vitality of the local economy, particularly businesses that capitalize on market and demographic changes and opportunities that emerge in key economic centers of the community.**

Objective 3.1 – Master Plan for the West Newport Mesa Area: By [December 2008], work with property owners to develop a master plan for properties that are related to and support Hoag Hospital including medical, medical-supporting, commercial, residential and industrial uses.

Objective 3.2 – Flexible Zoning: By [December 2007], the City shall implement Zoning Code reform to increase the definition of non-residential uses and to create flexibility in its zoning code to allow projects representing innovative market or development opportunities to proceed with fewer restrictions.



Objective 3.3 – Business Assistance Clearinghouse: The City shall coordinate with the Newport Beach Chamber of Commerce to establish a business assistance clearinghouse and business outreach program to help facilitate new business ventures and business expansions in Newport Beach by [September, 2007].

Objective 3.4 – Leading Indicators: The City shall provide annual reports [beginning with a report for the fiscal year ending June 30, 2007] on business establishments and employment changes by detailed business types to the City Council and the EDC for the purpose of tracking business development trends in the City.

**Goal 4: The City shall facilitate an economically viable concentration of marine uses, and enhance the maritime viability of Newport Harbor.**

Objective 4.1 – Water-Dependent Marine Businesses: The City shall implement land use and related zoning regulations by [December 31, 2007] to encourage preservation of existing water dependent marine business uses, and provide for expanded frontage for such uses as re-development occurs over time.

Objective 4.2 – Non-Water-Dependent Marine Businesses: The City shall implement land use and related zoning regulations by [June, 2008] to provide for the preservation of existing non-water dependent marine businesses in the West Newport Mesa area, as well as development of incentives by [July, 2008] to facilitate the relocation of such businesses to that area from economically unsustainable water front locations.



Objective 4.3 – The City shall implement a plan to provide for the dredging of lower Newport Bay to its design depth to allow safe navigation for vessels that use the harbor by [December 2007], working with the federal government, the Army Corps of Engineers

and other appropriate governmental agencies.

Objective 4.4 – Regulatory Compliance: As part of its business assistance clearinghouse program, the City shall establish by [December 2007] a program for assisting water-dependent businesses with information to aid in complying with state and federal regulations pertaining to air and water quality, among others.

**Goal 5: The City will enhance the visitor boating services of Newport Harbor.**



Objective 5.1 – The City will develop additional guest boat slips by [June 1, 2009].

Objective 5.2 – The City will invite proposals for the implementation of a privately owned and operated summer water transportation service by [July 1, 2007], with funding supplemented by grants, private contributions and public monies.

Objective 5.3 – Where feasible, the City will develop enlarged dingy docks at the Balboa Village area, Balboa Island area, Marinapark, the Rhine Channel area and the Mariner's Mile area by [June 1, 2009].

Objective 5.4 – The City will review its dingy docking regulations annually to provide docking spaces for temporary docking which best suit the needs of the boating public.



Objective 5.5 – The City will develop a policy by [December 2006] that allows visiting boaters to leave their boats unattended at anchor for some period of time.

**Goal 6: The City shall support the careful expansion of visitor-serving businesses and facilities.**

Objective 6.1 – Small Scale Lodging: The City shall identify by [December 2007] an economically feasible program for encouraging the development of small scale lodging and bed and breakfast establishments in Newport Beach, including incentives to encourage such development consistent with the General Plan policies.

Objective 6.2 – Vacation Rentals: The City shall review and revise its existing policies governing vacation rentals by [December 2007] to acknowledge and enhance the

economic benefit to the City of such establishments and recommend by [December, 2007] a program to maintain and enhance the quality level of them.

Objective 6.3 – Marketing and Promotion: The City shall continue its strong relationship with the Newport Beach Conference and Visitors Bureau to enhance the effectiveness of marketing and promotion undertaken by the City and the Bureau.

Objective 6.4 – Beach / Bay Activities Promotion: The City shall promote and encourage activities and events in and near the beaches and the bay that generate retail sales, e.g., boat shows, sports tournaments, etc., consistent with the Local Coastal Plan.

**Goal 7: The City will seek to minimize the economic impact of traffic congestion and will take affirmative steps to improve traffic flow.**

Objective 7.1 – Develop and implement by [December, 2010] a master plan to modernize traffic control systems and technology throughout the City.

Objective 7.2 – By [June, 2007], the City will improve synchronization of traffic signals and improve traffic flow along the Mariner's Mile, Newport Boulevard from 15th Street to the 55 Freeway in Costa Mesa (working cooperatively with that City), Jamboree Road and on Balboa Peninsula along Newport Boulevard from Main Street to Pacific Coast Highway, as well as other congested roadways and intersections that would benefit.

Objective 7.3 – In conjunction with its approved capital plan and annual budgeting process, the City will implement key roadway and intersection improvements identified in the General Plan Update by [\_\_\_\_\_].

Objective 7.4 – The City will strongly advocate the construction of the 19th Street Bridge in Costa Mesa, and other critical regional traffic improvements.

Objective 7.5 – The City shall create a plan by [December, 2007] to encourage and foster the development of alternative transportation services, such as bus shuttles, to service the various commercial, retail and recreation areas in

Newport Beach, in at least partial substitution for additional parking.

**Goal 8: The City will administer its development review and permitting processes in an efficient, solution oriented and customer friendly manner.**

Objective 8.1 – The City will implement the recommendations of the Evaluation of the Development Review and Plan Checking Processes, dated August 2006, including the following:

1. Increased inter-departmental coordination
2. Use of project managers with primary responsibility for major projects
3. Full use of Permits Plus and/or other database systems
4. Established performance standards for project review
5. Adequate staffing to meet performance standards and serve the public counter
6. Availability of up-to-date public information materials on application requirements and processes
7. Standardization of plan check correction checklists to the maximum extent possible
8. Increased quality control for outside plan check services
9. Existing standards will be applied to designs to the greatest extent possible to minimize requirements for project-specific engineering.





Objective 8.2 – Staff will provide for enhanced communication with applicants, both earlier and more consistently throughout the process by [insert date].

Objective 8.3 – The City will assure that staff receives regular training on maintaining a high quality of customer service and positive attitude.

Objective 8.4 – The City will implement changes in the Zoning Ordinance and other regulatory codes to make the process more streamlined by [December, 2007].